Ecuadorian Migrants as Sources of Investment and Human Capital

A thesis submitted to the Center for Global Affairs at New York University in partial fulfillment of the requirements for the degree of Master of Science in Global Affairs

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August 2014
Acknowledgements

First, I would like to express my especial thanks and appreciation to my parents Rosa and Manuel who are my motivation; my two sisters Jenny and Tania for their patience during this process and my brother Fernando for being always there supporting me and helping me with the interviews. They have always been there pushing me to continue achieving my goals. They have motivated me to succeed in school and never give up.

Second, I would like to express my deepest appreciation to my advisor Patricio Navia, for his knowledge, assistance, and guidance not only in the thesis process, but also during this two year program. I have learned so much from him that without his knowledge and guidance, this thesis would not have been possible.

I would also like to give a special thanks to a wonderful friend Tommy Fernandez for his time spent during my research process as well as the editing.

Next, I would like to give a special thanks to all my friends, classmates, and coworkers who are always willing to support me in any projects.

Finally, I would like to thanks Juventud Ecuatoriana Inc. for such a great opportunity to join them and contribute to the migrant community.
Definition of Terms

**SENESCYT** - National Secretary of Higher Education, Science Technology and Innovation

**BCE** – Ecuador’s Central Bank

**IDB** – Inter-American Development Bank

**IMF** – International Monetary Fund

**CONAIE** - Confederation of Indigenous Nationalities of Ecuador

**SENAMI** - National Secretariat of the migrant

**IESS** – Social Security National Institute
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A country is more than just its borders and geographical boundaries, its natural resources, or even the people who live within these boundaries. It is also the people who have left seeking opportunity elsewhere around the globe; yet still maintain ties and responsibilities to the country they left behind.

These people, in a sense, active citizens of their new countries as well as the nations they left behind, represent opportunities and possibilities that the home countries can tap into, develop and nurture into resources for not only investment, but also talent and globally honed skills. These migrants represent a significant and multifaceted source of human capital.

**Introduction**

In the 21st century globalization has changed the dynamics of modern society. Migration has become a transnational theme which demands more study not only to analyze the role that migrants play in their national economies, but also the political, social and scientific contribution that migrants can. Ecuador has become a great example of the response of governments to address the trends of Ecuadorians migrating to other countries.

This thesis is a policy paper, which describes and analyzes the case of Ecuador’s migration. This policy paper is divided in three main parts: 1) Causes of migration, 2) The Rise of Rafael Correa, 3) Programs and Policies to bring the Ecuadorians back. I start explaining the political history of the country followed by the drivers and context of migration. Then, I describe the rise of President Correa and his intentions. I also analyze the programs implemented by President Rafael Correa towards migrants, their success
and shortcomings. In addition to those programs I provide qualitative figures to support the successes and shortcomings of the programs. I finish by providing some policy recommendations to improve the current strategies and develop more effective programs.

*What policies has the Ecuadorian government has adopted to foster the development of human capital development within the Ecuadorian migrant population living abroad.*

In the late 90’s Ecuador experienced one of the worst economic crises in its history, spurring a massive migration of thousands of its citizens abroad, resulting in a brain drain. Since 2006, the government under President Rafael Correa has focused its attention on the demands of the migrant community by establishing various programs to benefit them. These programs have generated opportunities for active participation for these migrants within the country’s decision-making processes and engendering better relations between the migrant community, the government and their families.

*Ecuador: Political History since the 1980’s*

Like many of its Latin American neighbors, Ecuador has experienced over the past three decades various dictators and problematic regimes that have led to political instability and severe economic inequality. These problematic regimes included various coups, one president assassinated and a number of election scandals.

Consequently, even as the country continued to generate capital from petroleum, the average Ecuadorian suffered severe economic distress, including bank asset seizures and other economic emergencies. Consequently, hundreds of thousands have left the country in search of economic opportunity and stability.
Ecuador, Chile, Argentina and many other Latin American states have gone through a series of military and civil dictatorships. Even though Ecuador became an oil exporting country in the late 1960’s, the last two decades of the twentieth century were plagued by extreme financial inequality – and no government policies in place to reduce the concentration of wealth. Moreover, in the 1980’s there was little interest in strengthening the country’s existing political institutions. Instead, politicians substituted regulatory processes with those in favor of heavily liberalizing the financial markets.

The country then became so dependent on petroleum, and was influenced by reforms introduced by international financial institutions. In 1979, the election of Jaime Roldos Aguilera (1971-1981) as a new democratic government brought the state back to democracy.

During this period, a group of political analysts formulated a new project to integrate the indigenous population with the state (Andrade 104). Additionally, there were some changes in the process of modernizing Ecuadorian society. Consequently, new actors were able to participate within the larger community. The modernization process was not only cultural or societal, it is also took place within the machine of government. There was broad reformation in the political, judicial and administrative system. Another aspect of the changes in 1980’s was the existence of “strong elites, which were organized in political parties” (Andrade 111).

During the 1980’s the political analysts realized that the political system should not only focus on the economy but also on the social and cultural aspects of the country. For Pablo Andrade, the social changes that Ecuador went through at this period of time contained three critical problems: “the emergency of a new political actor, the indigenous
movement: the modernization of the political system in the country and the social resistance and the consolidation of the democratic regimen” (Andrade 117).

Consequently, under President Osvaldo Hurtado (1981-1984), Ecuador struggled with severe economic crises as a result of implementing international prescriptions. President Osvaldo Hurtado traveled constantly to Washington seeking for opportunities and resources for Ecuador’s recovery.

On the other hand, in the mid-1980’s, the business sector consolidated a new strong wing enabling Leon Febres Cordero (1984-1988) to win the presidential seat. His government was considered right wing and neoliberal. By the 1990’s another important sector organized as a strong movement. Indigenous groups consolidated themselves to claim for a political participation in the state. For instance, Cofederacion Nacional de Organizaciones Indigenas del Ecuador (CONAIE) was established.

By August 1988, Rodrigo Borja Cevallos (1988-1992) assumed power administration: he was a center-left leader (Partido Izquierda Democratica). Borja criticized the interventionism by powerful states and the North-South government relationships. He also accused the international financial lenders for the economic crisis in Latin America. Nevertheless, Borja requested cooperation and dialogue with the international lenders to seek a solution to the Ecuadorian external debt.

Consequently, the 1990’s were also characterized by the trends of clientelism and populism. The Cenepa War between Ecuador and Peru marked the years from 1992 to 1996. It was Sixto Duran Ballen (1992-1996) that assumed the presidency facing the Cenepa War and the implementation of state modernization.
Even though president Abdala Bucaram (1996-1997) was a populist leader, he was able to maintain the democracy, which strengthened a modern body politic. The government of Bucaram (Partido Roldosista Ecuatoriano) assumed the presidency with 54% of popularity. By a majority of votes in Congress, Abdala Bucaram was relieved from his duties as he was declared to be in a state of mental illness by that legislative body, and was overthrown by the indigenous uprising in 1997. Bucaram declared himself “El loco que ama”. In 1997, the partidocracia led Fabian Alarcon (Congress President) to become the interim president violating the Ecuadorian constitution.

In the second half of the 90’s, the relations between the branches of the government and the constitutional procedures were greater defined. Moreover, the new political system empowered the individual as an actor to make his or her own rational decisions and the participation within the political process.

From 1997 to 2005 Ecuador went through a series of popular uprisings overthrowing president after president. In one decade, Ecuador had eight presidents -- creating economic chaos.

Gradually more social movements were granted political access to avoid the monopoly of the traditional political parties (Andrade 149). By the 1990’s, Ecuador was divided politically in two regions: the Coast and the Sierra region. According to Pablo Andrade, the coast region “produced technocrats like Alvaro Noboa o Abdala Bucaram (pre-modernity) while the Sierra region produced technocrats such as Jamil Mahuad (modernity)” (Andrade 214). This period of time was characterized by the constant fight for power between these two societies in Ecuador and by the natural disasters like “la
Corriente del Nino” in 1997, which caused devastation and economic losses in the coast region.

The following year, 1998, Jamil Mahuad (1998-2000) assumed the presidency with a majority in Congress, with 34 seats belonging to Mahuad’s political party (Democracia Popular) (Tribunal Supremo Electoral, 1998). Mahuad’s economic measures contributed to the destabilization of the economy. Pressed by the internal and external institutions, Mahuad declared the freezing of bank accounts for an entire year. At the same time Mahuad increased the gasoline prices, which led to the paralysis of the entire country. The driver’s union in alliance with the indigenous movements CONAIE and other social movements in protest blocked the highways for several weeks.

The same year, Mahuad achieved dialogue between Ecuador and Peru and the signature of a peace treaty. In 2000, Mahuad imposed dollarization in the country as a measure to reduce inflation and avoid the uncontrolled slide of the national currency against the dollar. As a result of the freezing of the bank accounts of thousands of Ecuadorians, as well as the dollarization strategy, three million Ecuadorians migrated to the U.S and Europe.
The figure above indicates that during the Mahuad’s administration a massive migratory flow occurred. Under his administration the banking officials exercised a great deal of influence in the policy-making process. There was no regulation of the banks at all. Consequently, around 10 thousand indigenous people in alliance with the armed forces overthrew Jamil Mahuad from office.

Two years later, in 2003 Coronel Lucio Gutierrez, who was in charge of the coup against president Jamil Mahuad won the election. Under his administration, Gutierrez’s relatives assumed diplomatic positions and ministries. Gutierrez made alliances with the United States implementing neoliberal policies, by which many Ecuadorians disagreed.

In 2005, the population of Quito tired of the irrational and authoritarian policies and began to protest against his regime. Gutierrez on national television officially called the protestors “forajidos”, and imposed repression against them. While Gutierrez declared Quito in a state of emergency, several political parties of opposition met at CIESPAL to
relieve Gutierrez from his duties as president and to allow the vice-president who led the protests to assume control of the presidency. During these period Palacios tried to stabilize the country with various reforms.

There was an act, which marked the political future of Ecuador in the coming years. During his administration, president Alfredo Palacios (2005-2007) appointed the economist Rafael Correa as Minister of Finance. However, after four months in office, Correa resigned as a result of a disagreement with the World Bank. Correa did not agree with the renegotiation of the external debt and proposed lower interest government bonds. Correa resigned because of the lack of support from the executive branch. From this point there were various expectations and speculations that Rafael Correa would be the perfect presidential candidate. Even the Ecuadorians abroad started showing him support. The elections in 2006 were marked by a high percent of participation by the migrants who organized among themselves to have a voice and participation in that electoral process.

**Ecuador's Context**

It was only in 2000 that the U.S Census Bureau identified 260,599 migrants residing in the country (Chiriboga 14). But the methodology the Bureau used only calculated the documented migrants. There is not enough data on the number of undocumented migrants. Some sources estimate that there are around 700,000 Ecuadorians living in the U.S (Jokisch 59-83).

It is also important to note that in the 90’s the Ecuadorian migrations expanded to other regions. The following table shows the number of migrants in various regions.
As figure 1 shows, the 90’s was a transition decade regarding the destinations Ecuadorians selected: with Spain in the first place and the U.S in second. Some of the factors driving the selection to Spain could be the language, the cultural similarities and the easy process for obtaining a visa. Travel agencies increased their personnel and offices due to the high demand of people trying to obtain a visa to Spain. In 2006 the Spanish General Consular office in Quito received 28,982 visa applications, of which 66% were approved. By 2008, they received 10,661 visa applications, with 8,888 approved (Serrano, and Troya 31).

It is important to mention that the Ecuadorian migration before dollarization also included Venezuela and Chile as destinations. On tables 2, 3, and 4 the two main hosting countries for Ecuadorians has been Spain and the U.S. The following charts show the
percentage of migrants entering and exiting the country. However, this data only represents the documented.

For the irregular migration, there is no exact percentage. Gonzalo Lima, representative of the Casa Ecuatoriana, explained “migrants without documents tend to change their names when crossing the borders which make difficult to have an exact number of Ecuadorian migrants in the U.S” (Lima). Additionally, he said that migrants who change their names and are unfortunately detained by the U.S migration make it almost impossible to be found by the Casa Ecuatoriana legal team.

**Figure 3**

*Statistical Table of inflows and outflows of Ecuadorians December 2002*

*Source: Data derived from interview with officials of the Department of Migration, June 2008. (Serrano, and Troya 33)*
**Figure 4**

**Statistical Table of inflows and outflows of Ecuadorians**  
**December 2007**

Source: Data derived from interview with officials of the Department of Migration, June 2008. (Serrano, and Troya 33)

**Figure 5**

**Statistical Table of inflows and outflows of Ecuadorians**  
**From January to April 2008**

Source: Data derived from interview with officials of the Department of Migration, June 2008. (Serrano, and Troya 34)
The figure 2, 3, and 4 show a decline in the number of Ecuadorians living in the country. It does not include the migrants who leave the country, undocumented or not, so the numbers probably would be higher. The decline in numbers from 200,000 in 2002 two years after the banking crisis to 80,000 in 2008 reflects the beginning of a social, political, and economic transformation led by President Correa.

*Figure 6*

![Ecuadorian Migrants around the World 2004](image)

*Source: Consulates, embassies, civic organizations, migrant organizations. (Perez, and Burbano 3)*

The data on table 5 represents the distribution of Ecuadorians abroad. These statistics estimate that in 2005 there were large numbers of migrants (2,000,000) located in the U.S., followed by 500,000 migrants in Spain and 153,000 in Canada. The number of migrants in the U.S is higher than those in Europe because there are an increasing number of undocumented migrants crossing the borders between Mexico and the U.S. It is easier for them to cross the border to the north than to travel illegally to Europe.
**The Drivers for Migration**

Although there can be various explanations for Ecuadoreans migrating to other countries, the recent massive influx can be largely attributed to the political instability in the country and the several economic crises, especially in the late 1990’s. In the late 90’s Ecuador experienced high increases in poverty levels, rising from 3.9 (34%) to 9.1 (71%) millions (Acosta, Lopez, and Villamar 260).

The freezing of millions of bank accounts on March 1999 led to the bankruptcy of the consumer financial services sector. Thousands of people lost their savings in a single day, with all of their savings from over the years were inaccessible. Retired individuals were sleeping outside of the banks waiting for these institutions to reopen so they could retrieve their money.

Most Ecuadoreans migrated to other countries as their only way of survival from these crises. A study conducted in Quito in 2004 reveals that “56% of the people migrated looking for job opportunities since they were unemployed, and 20% migrated because of their low income in their current jobs. In conclusion almost 80% of the people before migrated did not have an adequate job” (Acosta, Lopez, and Villamar 277).

The phenomenon of migration has changed Ecuadorian society economically and politically. The first migration wave started in the 1950’s as a result of the trade crisis of the “Panama Hat”. The people from the rural areas in the provinces of Cañar and Azuay were the first migrants, whose destinations were the cities of Chicago and New York. Most of these migrants were the artisans who produced the “Panama Hat” (Chiriboga 13).
The second wave of migration occurred between the 80’s and 90’s. Ecuador went through frequent economic crises, a decade considered by many as “the lost decade.” Ecuador, like other Latin American states, entered into aggressive debt programs promoted by international organizations. The Import Substitution Industrialization in Ecuador did not generate sufficient employment, which produced a deficit in the industrial and trade sector (Correa 21).

The most recent wave of migration during the late 90’s, occurred as a result of the banking and financial crisis. “The net outflow of capital from Ecuador in 1998 was 422 millions and 891 millions in 1999 when the crisis was unleashed” (Espinosa 3).

The “Banco del Progreso” was the second largest bank in Ecuador, by the freezing of its depositor’s accounts, thousands of Ecuadorians lost their savings resulting in unemployment and poverty increased. This situation increased the levels of people leaving the country looking for better opportunities.

A study made by the World Bank stated “the levels of poverty in Ecuador increased with two million of people under poverty” (Fretes, and Giugale 34).
In table 7 we can see the migration numbers increase from 1998 to 2000 as a result of the banking crisis during this term, which led to the overthrow of former President Mahuad. According to the Ecuadorian Institute of Census (INEC) “the sharp contraction of the economy, increased the unemployment from 9.2% in 1997, to 14.4% in November in 1999.” By 2000, six out of 10 Ecuadorians belong to households facing challenges with basic food, education and health (Chiriboga 14).

A total of 25 migrants were interviewed in New York and New Jersey to share their testimonies with this study. After some Ecuadorian migrants were contacted and agreed to contribute to this study, they were interviewed via phone, face-to-face conversations, and computer mediated communication, in Spanish and English, according to interviewee request.

Most of them share the same reasons for leaving their country. Some of these
causes vary from economic aspects to social aspects. The lack of job opportunities in Ecuador pushed some migrants to look for better job opportunities outside of country. The racial, gender, and social stratification within the country also contributed to the migration.

**Cases**

Additionally, there are some cases where families already established in the U.S. brought their children and other relatives to live with them. This is known as “Family Reunification” phenomenon. For example, Rosa Erazo expressed that she started a small sheets business in her town. When the banking crisis started, she lost most of her customers and all the money invested in the business disappeared after the dollarization.

Fernando Calle a 26-year-old man had a different story. As a high school graduate he could not find any job in his city. Most of his friends were migrating to the U.S.: “I already had a brother in the United States who was the only one supporting my family, so I decided to immigrate to the U.S and work with my brother to support our family.”

Nancy Brito, a 20-year-old woman, came to the U.S to give a better future to her child and reunify with her mother.

These cases represent different sectors of the migrations. However all of them were forced to leave their country as a result of the economic crisis and the policy of dollarization. They all came to the U.S undocumented paying the underground immigration “coyotes” between 15,000 to 20,000 dollars, while other migrants came documented but sold all their properties to establish a new life in the U.S.

The effects of the Ecuadorian migration have been positive in economic terms for
Ecuador. According to the Multilateral Investment Fund the Ecuadorians send via remittances 33% of their income. By 2003, 97.1% of the migrants in Spain would send money to their families in a weekly and monthly basis. Nowadays, the percentage of remittances is lower and it is made in a monthly and annual basis (Perez 50).

The remittances were at some point considered the second resource, after that of oil, for the maintenance of Ecuador’s economy. In cities with the largest number of migrants such as Azuay and Cañar, there has been an increased number of travel agencies, cyber cafes, telephone booths, real state agencies, shipping firms, and the export of traditional food to different regions, reactivating investment and consumption in these cities.

In fact, Queens in New York has become what Ecuadorians called “Ecuador Chiquito”(Little Ecuador). The Ecuadorian population that resides in Queens can buy Ecuadorian products at any small store. The Hispanic community in Queens and other cities in different regions consume a hefty amount of Ecuadorian products, which generate employment in the agricultural sector in the rural areas of Ecuador. Real States agencies have benefited from the migration. Most of the migrants after one or two years of residing outside of the country tend to buy properties for their families in Ecuador. This generates more employment in the construction area (Perez, and Burbano 6-7).

The effects of migration have alleviated the work of the government for reducing the levels of poverty. The families of migrants are able to pay their bills, buy a house, buy cars, and spend some money on trips and other activities that low-income people would not be able to do it.

The negative effects of migration have affected migrants’ life and the country’s
agenda. One of the biggest challenges that comes when a person migrates to another country is the family disintegration. For Rosa Erazo the effect of migration was reflected in her children: “I did not have the opportunity to see them grow up, I could not attend my son high school graduation, and those were moments that I felt devastated” (Erazo). Most of the children left by parents who migrated to other countries have had to grow up under the supervision of their grand parents and uncles.

Some children, as Nancy commented, are left at early ages. “I was left under the protection of my brother and my sister at the age of 8 years old” (Brito). Migrants have to pay a high cost when their children grow up without their protection. Most of them do not even recognize them as parents. For some children, grandparents are considered as their parents. In some cases their relatives sexually abuse these children. According to an investigation in the province of Chimborazo, 51.4% of the children interviewed have their parents in other countries and they are under the responsibility of some friends or neighbors (Serrano 43).

Divorce is very frequent among those people who migrate. In some cases when a husband migrates, he is separates from his wife and kids and initiates another life with a new family.

This negative effect of the migration also affects the state’s policy. For instance, the “brain drain” is a big challenge for Ecuador’s government. The government of Ecuador invests in the education for those young migrants who, as soon as they graduate, leave the country seeking for new horizons with better job opportunities. All the knowledge and skills learned in Ecuador would benefit the country that they migrate to (Perez, and Burbano 5).
In 2002 the United Nations calculated that “around 200,000 professionals had left Ecuador looking for better opportunities in the U.S, Spain, Italy, Chile and Colombia” (Acosta 43).

Most of the majority of the Ecuadorian migrants are young people from 15 to 29 years old. This young population is reactivating the production in the labor sector in other countries, especially in Europe where there is low birth rates. According to the Spanish Ministry of Labor and Migration, 61.02% of Ecuadorians in 2004 worked in the service sector, 15.79% in construction, 9% in the industrial sector, and 14.11% in agriculture (Pereda, Actis, and De Prada). This trend forced the government of Spain to provide more work permits to Ecuadorians.

Remittances Effects

Remittances are a crucially important byproduct of the migration. Remittances in Ecuador have reactivated and stabilized the economy, reducing the levels of unemployment and the levels of poverty.
The percentage of remittances has become the third major source of national income. The remittances have reactivated the construction sector increasing the number of jobs and the consumption of home furniture, electronics, and other household goods. However by 2006 Ecuador received $2.922 million in remittances from the U.S ("Personal remittances, received (current US$)"). Over the last years the remittances has constituted approximately 6% of Ecuador’s GDP, putting the remittances as the second large resource of income (Olivie, Ponce, and Onofa 14).

The following chart shows an income of $759.6 million with a growth of 12.3% more than the percentage in 2007.
The following chart shows the three countries where most of the remittances come from: in short, 95.4% of the total in remittances comes from the U.S, Spain and Italy.

Source: Ecuador's Central Bank 2008. (Serrano, and Troya 45)
The figure above shows that the majority of remittances are also used to cover basic needs and other necessities. For instance 17% of the remittances in 2003 were invested in luxury and 4% to buy a property. This dynamic could not exist without the support of the migrants. The rural areas of Azuay, Cañar, Pichincha, Loja produced a rapid growth in the levels of family income. The properties increased their prices producing the inflation of the prices in these provinces. The salary of a worker in 2005 was not enough to obtain the family basic basket in Ecuador (Perez, and Burbano 6).

Remittances have contributed and alleviated the job of the government in reducing the levels of poverty. The families that receive remittances are able to cover their basic needs and still have some money left to spend in other activities. For instance, families that receive remittances are able to buy electronics for their houses, which
encouraged other electronic companies to open new stores in the cities with the majority of the migrant’s families.

In 2000, there was a tremendous increase in sale of electronics due to the inflow of remittances (Perez, and Burbano 7). This is the case of the company “Creditos Economicos” an Ecuadorian company that opened a store in Queens to facilitate the sale of electronics to the families in Ecuador. Since 2002, Creditos Economicos opened the doors to the Ecuadorian migrants who desire to give their mothers, fathers, children a TV, a computer, or radio. The migrants were able to buy the products in Queens and his or her family would receive the product in less than 24 hours.

Figure 12
Evolution of Remittances in millions 1991-2005

(*) The IDB estimates the remittances in $2.000 millions
Source: Ecuador’s Central Bank (Perez, and Burbano 9)

Remittances in the figure above have not shown the same growth rates over the years. This is because it is difficult to analyze the remittances without independent variables such as education, labor, the cost of sending remittances and characteristics of the family. For a better understanding of the remittances, it is important to add the years
the migrants have lived in their secondary countries and the salary the migrants receive.

For instance, in 2002 it was estimated that the average amount of remittances sent monthly from Spain was 369 Euros with a salary of 637 Euros while the average amount from the U.S was approximately 537 dollars with 987 dollars salary (Perez, and Burbano 12).

Figure 13

Family Member that sends remittances from the United States

Source: IDB, IMF. Remittances senders and receivers: Tracking the transnational channel, 2003 (Perez, and Burbano 12).

Another important aspect that affects the remittances is the young migrant civil status. In 2003, 37% of the Ecuadorian migrants were singles (Perez, and Burbano 12). It means that the young migrants would support their families as long as he or she is single. It changes when the young migrants get married and establish a new family in their
second country. Fernando Calle, one of my interviewees, said that he used to send money to his family in Ecuador weekly. However, after he got married and became a father, it was almost impossible to continue supporting his family in Ecuador as he used to.

Currently Fernando sends remittances to his family some money once or twice a month. “I have to maintain my new family, I have to buy the food and the clothing for my baby too” Fernando explains, therefore he cannot send the same previous amounts.

Another important phenomenon to consider is how over the years migrants reduce the average amount of money sent. This is for specific reason. The first five years are when the migrants need to send large remittances to pay back the debt obtained in order to migrate. Other factors include family reunification, as it is the case of Rosa Erazo who brought her children to the U.S and stop sending money to Ecuador. “Nowadays I just send some money once a month just to my mother.”

The Rise of Correa

How Correa came to power?

From 2007 to present, Ecuador has gone through significant social, political and economic changes. Correa assumed the presidency in 2007 with 57% of the vote. At the beginning of his term president Correa announced the illegality of external debt. provoking the weakening of the relations with the IMF, World Bank and Washington. Additionally, Correa announced the call for a referendum to establish an assembly, the “Asamblea Constitucional,” to draft a new constitution.
With 81.72% of national support in the 2007 Constituent referendum, President Correa was able to dissolve the Congress and establish a new Constitutional Assembly. Additionally, President Correa introduced a reform in the petroleum sector. Also President Correa increased the revenues obtained with this natural source to help his government in providing better social programs to the poor communities and start the development of infrastructure in the country.

On the other hand, Correa ordered the closure of different TV channels, and radio stations owned by the corrupt group Issaias. Correa launched a massive campaign against the corrupt press, which Correa believes manipulate governments. Many journalists have left the country to seek asylum in other countries since Correa took office.

Over the last decades, President Correa has been the only president to be re-elected for a second term. In 2009, Correa assumed the presidency for a second term with a new constitution and an absolute majority in the assembly. By 2011, Correa called for a new referendum for “yes and no” to the changes of several areas of the state including the judiciary. It was viewed as the third victory of Correa.

By 2013, Correa was the favorite candidate for a third term with 57.1% of support, which resulted in his reelection (National Electoral Council). The promises made during his campaign have been almost fully accomplished. It is important to recognize that Correa’s regimen has been recognized for the social inclusion of minorities such as indigenous people, and immigrants who have contributed enormously to the economy of the country.

In fact, Correa campaigned for the immigrants’ vote, providing six legislators to represent the interests of the immigrant community in different continents.
Correa has also implemented a program targeting the Ecuadorian immigrants outside of Ecuador. This program have been motivated by the number of Ecuadorian migrants around the world and the support to keep the economy afloat. For the typology created by Ostergaard-Mielsen (2003) these politics toward migrants are called “Homeland Politics.” Even though these political initiatives take place in the hosting countries, they are directed to their homeland, (Ostergaard-Mielsen 760-786) for example the vote abroad. This is a clear example of how these politics can still connect the migrants with their homeland politics.

It is important to analyze the factors than can motivate a government to craft supportive policies toward its migrants. According to Bauböck (2003) governments can have several reasons to safeguard and improve the relations with this population:

- Human capital and growth: the government should keep migrants who later could return to the country connected in order to return capital and human talent. For this reason the government should provide the adequate instruments for professionals who decide to return to their countries. This can be beneficial for the country considering that the professional can adopt better mechanism and develop different skills while living abroad.

- Remittances: providing incentives for the migrants and promote the return of the migrants in the future so they can invest in their countries by buying properties or creating businesses. The government should include them in their public policies.
- Political pressure: facilitate migrant’s activities by empowering them within migrant’s organizations. Giving them the resources to organize themselves (Bauböck 770-723).

What are his intentions?

Advancing Ecuador national economic growth in an era of globalization depends on effective economic policies. Besides the controversial issues regarding the freedom of the press, the media around the world has taken Ecuador as a new economic model to study and discuss. Reuters in 2009 published “Ecuador unemployment up to 9.1 pct in 3rd Qtr” (Reuters, 2009), Bloomberg “Ecuador Unemployment Rate Fell to 6.4% in Second Quarter” (Bloomberg, 2011), Xinhua “Ecuador's poverty index falls to 28.6% in 2011” (Xinhua News, 2011). Since president Correa took office, the government has implemented new policies towards the migrants. This inclusion of migrants in the government agenda can contribute to foster human capital development. Considering that the remittances in 2007 exceeded $3 million (Herrera, Moncayo, and Escobar 29).

During a speech he delivered in 2007, President Correa described the migrants as the “savers of Ecuador’s economy.” Since 2006, the political party Alianza País created a platform proposing the inclusion of the migrants in the president’s agenda. President Correa has put the migrant situation not as part of the government’s agenda, but as a state policy (Ramirez 7).

Two months after his inauguration President Correa submitted a decree to create the Secretaria Nacional del Migrante (National Ministry for Migrants). This institution was intended to provide services to the migrants, which includes credit for migrants,
plans for returning migrants, scholarships, training, and workshops. In addition, the Ministry facilitates the search of migrants lost at the borders U.S – Mexico, and assists in the repatriation of the dead bodies, legal assistance, and the creation of a network of Ecuadorians in the U.S.

In 2007 the Ecuadorian government proposed to reach five goals:

1) Develop in Ecuador and around the world migration policies based on respect, and the exercise of their human rights, economic, social and cultural.

2) Generate and consolidate links between the migrants and their families in Ecuador.

3) Encourage the Ecuadorians to stay in the country and build the conditions that makes possible the sustainable voluntary return of migrants.

4) Foster the process of human development for the migrants, their families and their environment.

5) Promote intercultural processes and build a universal citizenship ("Plan Nacional de Desarrollo Humano para las Migraciones").

What he has done?

The Ecuadorian government has implemented various programs targeted at helping migrants. The programs were established after the constitution was reformed in 2009. The Ecuadorian assembly proposed a new area in the constitution called “Plan Nacional para el Buen Vivir” (National Plan for Good Life). In this national plan, the government takes into account the Ecuadorian migrants around the world. In the article 40, the constitution states “any human being should be considered illegal because of his
migrations status” (Burbano 36). The constitution also advocates for “the principle of the universal citizenship article 415” (Burbano 21).

With some of the articles providing rights and benefits for the migrants, the government has established certain programs to generate financial capital as well as human capital. These programs intend to bring the migrants back to Ecuador via either with monetary support or knowledge assistance.

**Plan Bienvenidos a Casa (Welcome Home Project)**

This project is a set of programs that provides support for the migrants and facilitates a voluntary and sustainable return promoted by the Ministry of the Migrant. Among the programs launched to help migrants is Plan Retorno.

**Plan Retorno (Return Plan)**

Plan Retorno is a program created by the government to facilitate the returning of the migrants with their households. According to the Ecuadorian customs house in 2013, a total of 3,540 migrants returned to the country with their household, and a total of 15,888 migrants with their household from 2007 to 2013 (“Desarrollo y Transformacion”).

This program did not expect to have a significant impact on the migrant community. However, the Ministry of the Migrants reported, “In only two months of the program, 2,000 migrants registered for the voluntary return. 1,000 migrants were registered in only 28 days” (“Menaje de Casa”). This governmental institution conducted a survey of migrants in different countries and the results were very high. Most
Ecuadorians aspire to return. The family, and cultural links added to the global economic crisis in 2008 could contribute to this high number of people trying to go back to their countries.

According to a survey by the Plan Nacional de Desarrollo Humano para las Migraciones, 96% said Yes to return and and live in Ecuador, 3% said No and 1% were undecided ("Nacional de Desarrollo Humano para las Migraciones ").

This number does not reflect the number of migrants returning. This is a survey made before the execution of this program. People may have answered motivated by feelings, but in the reality they will not return until they have enough capital to establish a small business or have a high level of education. During this research, I discovered most of the people said they would like to return to Ecuador five years from now, which may not happen if they start a new family outside Ecuador. Many factors can change the number of people who actually decide to return.

The figure 14 is more specific because it indicates the number of years they will stay in Ecuador if they return.
The 82% of migrants who wish to live permanently in Ecuador is not only motivated for their family or cultural feelings. Most of these migrants have irregular status in the hosting countries. They may not have another alternative as to stay in Ecuador because of the legal status.

The Return Plan tries to bring the capital of migrants back to the country in the form of investment in the business sector in the country. This is why migrants under this program are also able to bring their working equipment.

Some of the main aspects of this program are:

* **Household**– Migrants are able to bring their entire household belongings new or used. These items can be clothing, electronic devices, dining room furniture, and any item necessary for a person or a family.
Car/motorcycle--Migrants are able to bring a car as long as it meets the requirements of the program. The car can be new or used. In the case of used car, it should correspond to the last four years. It cannot exceed the 3,000 cc (3.0 L) and a maximum price of $20,000 dollars.

Working Tools--Migrants are able to bring their professional instruments or equipment to develop their businesses or professional activities. In other words, if the migrant is a dentist and he has all of the instruments to establish a dentist office in Ecuador. If the migrant is a carpenter he will be able to bring the respective machinery to sculpt, cut and design the furniture ("Menajes de Casa").

For Loren Escudero, the Ministry of the Migrant supports “the migrant’s household, and working tools will help them to establish their own businesses” ("20 Minutos"). According to Escudero by 2013, 40,000 migrants have returned to Ecuador using this program. She expects this number to increase to 50,000 by the end of this year taking into account that there are around 2.5 million Ecuadorian migrants around the world.

The Land Plan (Plan de Tierras)

This project was created to implement a new model of agricultural production. This new plan will provide small farmers the opportunity to obtained technical, and financial assistance for their agricultural activities. This plan will provide property titles for the migrants who return voluntarily. On January 2013, the Ministry of Agriculture traveled to Spain to promote this opportunity for the Ecuadorian community in Europe ("Plan Tierras y Retorno Productivo fue socializado en España ").
So far, 120 Ecuadorians finished the training process in Spain. Carlos Cava and Milton Jijon, two migrants who lost their jobs in Spain, see this plan as an opportunity to own their own business in their motherland ("El Universo").

According to the Ministry of Agriculture, the plan consists of 3,000 hectares in the provinces of Manabi and Guayas in the coast region. The hectares of land are part of the seizure process of the Issaias brothers responsible for the banking crisis of 1999. This plan is estimated to benefit 400 Ecuadorians who want to access to this credit ("El Universo").

Most of the migrants applying for this plan are Ecuadorian and have been unemployed for almost 3 years. “The economy is critical” said Milton Jijon, one of the 31 members who integrated the Agricultural Association Ecuamur. The government will provide microcredits for the migrants to buy their pieces of land with a payment plan of ten years with 5% of interest (Villarruel).

The government’s intention is to provide its citizens with the necessary tools to bring back this well trained migrants to develope new methods of agriculture in the country.

**SENESCYT Scholarship Program**

Since 2007, the Correa government of Rafael Correa has invested a high percentage of the country’s GDP in education. "Ecuador has 8,859 scholars and it is the country with the highest level of scholarship on the basis of population, surpassing countries such as Brazil, Chile and Mexico and is the third in the world after Germany and Denmark," said Rene Ramirez Representative of the National Secretary of Higher
Education, Science Technology and Innovation (SENESCYT) ("Ecuador ocupa el primer lugar en Latinoamérica con la mayor cantidad de becarios en relación a su población.")

**Figure 16**

Compared to countries with similar economies, Ecuador is the largest investor in higher education

(“Logros 2014”)

This program of scholarships not only benefits the Ecuadorians in the country, but also migrants living abroad. “This is the best opportunity for our community implemented by this government, there has not been any government, which has pay attention to the migrant community. I want to finish my education and return to my country to contribute with its development,” said Sofia Ruales an Ecuadorian migrant who received the SENESCYT scholarship to study at New York University. “In 2013, 421 Ecuadorians applied from 28 countries and 49 cities, out of 421 only 128 were able
to receive the SENESCYT scholarships” stated Rene Ramirez representative of the SENESCYT ("Ecuador Universitario”).

This scholarship program has favored undocumented students who cannot have access to school because of their legal status and economic situation. Ernesto Espin is in the process of application for the SENESCYT scholarship. For him this is a perfect opportunity to achieve his dreams and be able to go back to Ecuador with a professional career.

The scholarship program intends to invest in human capital, which will contribute to the economic, technological, scientific and productive development of the country. This scholarship program is a long-term project: it will take several years until the first generation of scholars can start contributing to the development of the country.

The Ecuadorian migrants can apply for the top 50 universities around the world for undergrad, grad and PhD programs. The award provides the students financial aid, which covers the cost of tuition, housing, books, transportation, and food. The only requirement that the government ask the students is the mandatory return of the students after finishing their degrees to share their knowledge with the new generation of students in the country ("Becas en el Exterior").

Part of this scholarship program is the recognition of the foreign degrees obtained by Ecuadorians while their time abroad. Since the period of economic crisis in Ecuador the drain brain in the country increased drastically given the fact that young professionals were the most affected. As part of its strategic plan to bring back the Ecuadorian professionals abroad, in 2011, the SENESCYT (National Secretary of Higher Education, Science Technology and Innovation) established the agreement N. 2011-502 by which
the professionals who obtained their degrees abroad can be recognized by the SENESCYT and enter in the national data of degrees (Ramirez). This process allows the migrants with a degree to go back to Ecuador and be able to apply for a job in the private or public sector.

Chile has a similar program for bringing human capital to the country. There is an important source of support for the return of researchers from abroad. The National Commission for Scientific and Technological Research in Chile launched in 2009 the program “Attraction and Insertion of Advance Human Capital” which looks to bring scientists from prestigious universities, has created mechanisms to incorporate them at the academic and productive sector ("Investigadores del concurso Apoyo al Retorno Destacan Posibilidad de crear redes de interaccion ").

Just as Chile, Argentina has a similar program towards its professional migrants. Under the Argentinean Law 26,421 (2008), the program’s Argentinian’s Network Researchers and Scientists Abroad (RAICES) has became a state policy. The objective of this program is to repatriate Argentinean scientists and researchers abroad. According to the Analysis de la Gestion Publica magazine, between 2003 and 2012, 897 Argentinian scientists returned to Argentina. These professional migrants have been incorporated in the academic system, foundations, NGO’s and government ("Analisis de la Gestion Publica").

**Teachers Plan Return (Plan de Retorno de Maestros)**

In 2012, the government created 32 thousand vacancies in the education sector but only 50% has been filled. The Ministry of education decided to give the opportunity
to the migrant community. Ecuadorian teachers abroad can have the chance to participate in the contest (Lopez). This plan was established “in coordination with the Ministry of Education and target the migrants who are teachers abroad and desire to return” (Azahara). This plan motivates Ecuadorian teachers abroad to participate in a competitive examination to be incorporated in the education system.

The Ministry of Education will assign five extra points to this group of teachers who were forced to migrate as a result of the economic crisis in the 90’s. According to the newspaper El Universo, during the first call 781 migrants in Madrid and Murcia were registered in this program, 339 took the exams, and 43 were approved to obtain a job in the education system ("El Universo").

This plan is very interesting not just for the human capital that the government is implementing, but also for the great contribution that the teachers will provide to the students. “These actions reflect a comprehensive renewal strategy and public education human talent, in order to improve the quality of education in Ecuador and consolidate the transformation of education,” said Augusto Espinosa Ministry of education (Jima).

**Plan Vivir Ecuador/All You Need is Ecuador**

On December 2013 the Ministry of Tourism and the Secretary of SENESCYT signed an agreement whereby scholars play an important role as tourism ambassadors. This platform, Vivir Ecuador, was created to promote the Ecuador’s tourism abroad. This initiative encourages the scholars to become ambassadors of Ecuador’s tourism in different countries where the scholars are studying. According to statistics of the Ministry of Tourism, the position of tourism in 2014 as an industry is in the third place after the
export of shrimp. With $296.9 million in 2013 and $378.5 million in 2014, Ecuador is in a tourism boom, requiring the use all of the resources possible to continue the growth in visits to Ecuador.

**Figure 17**

In the figure above, the number of tourists visiting Ecuador increased 12% from July 2013 to July 2014.

The program has been designed to incentivize SENESCYT scholars into contributing to Ecuador’s tourism. For Marcelo Benitez a SENESCYT scholar studying in Germany, “this platform gives us the opportunity to promote the richness and beauty of Ecuador throughout our social networks” ("Andes").

According to Rene Ramirez, a representative of the SENESCYT, “this initiative will promote Ecuador abroad at a rate of 150 people per each scholar” ("Andes").
This program has 6,659 scholars who study abroad. The scholars have the opportunity to create content and share pictures of the food, music, traditions and places in Ecuador. As an incentive the Ministry of Tourism has created a list of gifts for the scholars who created the most content and have shared with the most people. The gifts go from schoolbags, CD’s, IPods to a trip for two to visit Ecuador (“Ecuador Universitario”).

Responding to this need to further promote foreign tourism in Ecuador, on March 2014 the Ministry of Tourism launched the campaign “All You Need Is Ecuador.” This is a campaign that utilizes all available social networks to promote Ecuador around the world. This campaign provides the same opportunity to the migrant community as the scholars; Ecuadorian migrants can also become ambassadors of the country’s tourism and win gifts.

**Plan Ecuador Healthy**

On May 2012, via a ministerial agreement, the Ministry of Health launched a program to repatriate professionals in medicine. This is a plan coordinated by the Ministry of Public Health, which establishes a program designated for Ecuadorian professionals in medicine who migrated to the U.S and Europe during those years of economic crisis. “The candidates who enroll in this program will have to take a psychomeric test and a job interview” ("¿Qué es el Plan Ecuador Saludable, Voy por ti?"). Additionally, the candidates will have to register their degrees obtained abroad. The SENESCYT in coordination with the Ecuadorian embassies and consular offices in different countries will facilitate the process of registration. The salaries are ranging from
$986 to $2967 depending on their educational background and work experience ("¿Qué es el Plan Ecuador Saludable, Voy por ti?"). This plan will bring more human talent to cover the vacancies in the health system.

**Voluntary Social Security**

The Ecuadorian Institute of Social Security recognizes the voluntary affiliation to the social security system based on Art. 347 of the Constitution that states: all people are equal and enjoy the same rights, duties and opportunities [...] regardless of their immigration status and regarding social security stresses that" it is an inalienable right of all persons, and shall be the duty and primary responsibility of the state” (Machuca).

Any Ecuadorian over 18 years old will be eligible to affiliate, including SENESCYT scholars. Among the benefits for the affiliated people is the access to mortgages, unsecured loans, repatriation of bodies, and attention to children of migrants, retirement benefits, health, and maternity (Machuca).

It is important to mention that all these benefits only apply in Ecuador. According to the IESS 1,060 migrants have been affiliated to the program and 500 are in process (Zambrano).

The number could increase due to modifications in the registration process. During an informal debate in the Ecuadorian Consulate with the representatives of the IESS in Ecuador by Skype, migrants in New York were excited to hear that the IESS is no longer requiring a medical documentation in order to affiliate. Other good news provided by the representative of the IESS was the recuperation of the funds that the person saved before migrating to another country.
This program continues to introduce opportunities and modifications according to the requirements of the migrants. For instance the voluntary affiliation will reduce from $636, which represent two Vital Minimum Wages to $318. The affiliation will be accessible online with a single password provide by the IESS. Finally, the medical exams will be eliminated and the repatriation of bodies with all the expenses to be paid by social security ("El Hoy").

**Vote abroad**

Even though the right for migrants to vote abroad was established in the constitution of 1998, the necessary tools to facilitate access to vote for migrants did not take place until 2006. In that year migrants played an important role in the presidential elections. Moreover, Art. 11 of the Constitution states that “the state will protect the Ecuadorians living in foreign countries” ("Constitucion Politica de la Republica del Ecuador 1998 ").

However there was a lack of mechanisms to guarantee the creation of outreach programs toward the migrant community. In 2006, there were 143,345 Ecuadorians registered, of which only 87,513 attended to vote. For some analysts this lower participation was the result of a short period of registration by the embassies and consular offices, and the long process of filling the forms (Ramirez, and Boccagni 10).

Since 2006, the government, in coordination with the embassies and consular offices, has established a new mechanism for migrants to register for vote. This mechanism was intended to mobilize the consular offices to rural areas and areas far from
the consular office. In 2006 there were 143,352 migrants registered to vote, 152,180 in 2007, 156,677 in 2008 and 184,000 in 2009 (Ramirez, and Boccagni 15).

**Figure 18**

**Ecuadoreans Voting Abroad Presidential Elections 2006**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>% Men</th>
<th>% Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered</td>
<td>143,352</td>
<td>47.2</td>
<td>52.7</td>
</tr>
<tr>
<td>Voted</td>
<td>87,513</td>
<td>46</td>
<td>54</td>
</tr>
<tr>
<td>Blank Votes</td>
<td>2,490</td>
<td>39.8</td>
<td>60.1</td>
</tr>
<tr>
<td>Invalid Votes</td>
<td>19,902</td>
<td>44.9</td>
<td>55.0</td>
</tr>
</tbody>
</table>

**Second Round**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>% Men</th>
<th>% Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered</td>
<td>143,352</td>
<td>47.9</td>
<td>52.7</td>
</tr>
<tr>
<td>Voted</td>
<td>84,110</td>
<td>46.5</td>
<td>44.9</td>
</tr>
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<td>58.5</td>
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<tr>
<td>Invalid Votes</td>
<td>10,027</td>
<td>43.3</td>
<td>56.6</td>
</tr>
</tbody>
</table>

*Source: CNE (Ramirez, and Boccagni 16)*

**Figure 19**

**Constituent Assembly 2007 Elections**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Men</th>
<th>%</th>
<th>Women</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registered</td>
<td>152,180</td>
<td>72,063</td>
<td>47.3</td>
<td>80,117</td>
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<td>Voted</td>
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<td>18,989</td>
<td>47.8</td>
<td>20,709</td>
<td>52.1</td>
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<td>Blank V.</td>
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<td>1,152</td>
<td>43.0</td>
<td>1,524</td>
<td>56.9</td>
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<tr>
<td>Invalid V.</td>
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<td>3,431</td>
<td>45.2</td>
<td>4,127</td>
<td>54.3</td>
</tr>
<tr>
<td>Latin America</td>
<td>10,211</td>
<td>4,836</td>
<td>47.4</td>
<td>5,375</td>
<td>52.6</td>
</tr>
<tr>
<td>Registered</td>
<td>4,745</td>
<td>2,228</td>
<td>46.9</td>
<td>2,517</td>
<td>53.0</td>
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<tr>
<td>Voted</td>
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<td>69</td>
<td>35.6</td>
<td>125</td>
<td>64.4</td>
</tr>
<tr>
<td>Blank V.</td>
<td>653</td>
<td>277</td>
<td>42.4</td>
<td>376</td>
<td>57.5</td>
</tr>
<tr>
<td>Invalid V.</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>U.S Canada</td>
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<td>12,116</td>
<td>59.7</td>
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<td>3,703</td>
<td>61.5</td>
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<td>84</td>
<td>42.8</td>
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<tr>
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<td>56.3</td>
<td>242</td>
<td>43.6</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>121,662</td>
<td>55,111</td>
<td>45.3</td>
<td>66,551</td>
<td>54.7</td>
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<td>42.4</td>
<td>1,315</td>
<td>57.5</td>
</tr>
<tr>
<td>Blank V.</td>
<td>6,351</td>
<td>2,842</td>
<td>44.7</td>
<td>3,509</td>
<td>55.2</td>
</tr>
</tbody>
</table>

*Source: CNE (Ramirez, and Boccagni 17)*
If we compare the number of people who voted in 2006 and 2007 there is a dramatic reduction of participation. Under the constitution of 2009, there were six designated seats in the Constitutional Assembly for the representatives of the migrants. In the case of the U.S./Canada area, two assembly people represent the migrant community. The strengthening of the fifth region is not only supported by the transnationalism and the connections with the country of origin, it is also supported by the influence exercised by the state over its citizens abroad (Guarnizo, Portes, and et al 108). There has to be mutual coordination in order to obtain better results in migrant participation.

Effects

The effects of these programs have had an impact on not just in the migrants but also in their families who live in Ecuador. The ways in which the migrant community has demonstrated an accelerated integration are quite visible in the years since President Correa took office. The called “Fifth Region” (Quinta Region) is much more prominent in Ecuadorian politics. Now the migrants can elect six representatives to have a voice in the Constitutional Assembly. The current government has found in the migrant community not only an economic resource but also a vibrant source of human capital, which is crucial for the development of the country.

With the Creation of the Ministry of Migrants, President Correa has given the migrants the opportunity to contribute to the social, economic, and political development of the country. Even though the government of President Correa has made the migrants a main priority on his agenda, it is important to analyze these new programs: its successes and shortcomings.
**Successes and Shortcomings**

It is important to recognize that these programs are new, limiting the effectiveness of current existing data to prove whether they have been successful. However, within my research some migrants were interviewed and gave their testimony of these programs.

*The Return Plan* is considered one of the most successful programs. By 2013 Lorena Escudero Ministry of the Migrant stated that “40,000 Ecuadorians have returned to the country by the Return Plan” ("20 Minutos").

This number shows the interest of the migrants in the program. On the other hand, the probability that the migrants decided to return may not be just the program, but also the economic crisis that Europe is facing.

Many have successfully established small businesses as the case of Eduardo Remache a 28-year-old returned migrant from the U.S. Eduardo affirms, “The Return Plan was an excellent program which allow me to bring my households, my work machinery and my car.” Eduardo currently owns a small shoe repair store in Sangolqui. He was able to bring a car, which is used as a taxi to produce an extra income for his family.

For Judith Chungandro, an immigrant who lives in Spain, expressed that the economic crisis in Europe caused the bankruptcy of many migrants who ended on up the streets without their homes. “Thanks to our government at least we can come back to our land bringing our households and capital that we earned in years of work.” On the other hand, Jaime Calle, a young migrant of 27 years old who returned in 2012, still struggles economically. For him the Return Plan is attractive but the opportunities in Ecuador are not ready to provide jobs to the returned migrants. Since 2012 Jaime Calle has not been
able to find a job according to his skills in the kitchen. He is currently working part-time in construction. “I did not finish high school, I cannot get a license. If I go to apply for a job they ask me if I have my high school diploma.” It is evident that the government has not yet implemented a program for the migrants who did not finish their high school education before returning home.

Another shortcoming found in this program is the abuses committed by car dealers, customs, couriers, and people who make profit from this program. “I am a resident in Orlando Florida, I can bring your TV’s, refrigerator, BMW, anything. The coupon I am selling in 8,000 dollars plus the air ticket and documentation process” ("ElUniverso").

This is an example of how some people are taking advantage and have created unregulated businesses with this program.

In other cases migrants have paid more money to the customs in Ecuador who take advantage of their public positions. These are difficulties that the program currently presents, but the government seems to be developing better strategies. There should be more control among the customs authorities and the creation of a networking system of shipping companies that can be graded by the migrants and recommended to others. Moreover, the government should create a mechanism to provide certain jobs to migrants without any type of education or give them the opportunity to go back to school.

*The SENESCYT scholarship* plan is an excellent program that attracts human talent back to the country. The plan so far seems to be successful in terms of putting more Ecuadorian students in the top universities around the world. But this is a long-term project, which may give concrete results in five or more years. One of the shortcomings
found in the program is the low number of migrants applying for this scholarship. During this research, ten students were interviewed and only one of them was a migrant. The rest of the students came from Ecuador just to study.

The big challenge migrants find when applying for the scholarship program in the requirement to return to Ecuador. Angelica Ortiz, an undergrad student, comments “the program is excellent but I do not want to apply because I feel obligated to go back to Ecuador a country that I left when I was five years old. It will be difficult for me to adapt to a new environment and leave my family here in New York.”

On the other hand, students like Byron comment differently. “I am happy to see that I can study in the University of Michigan on a full scholarship and have the opportunity to go back to my country and work there.” Byron is an undocumented student who sees this program as an opportunity for other undocumented students who usually do not have access to education because of their legal status. There is no data about the scholars who return and cannot find a job. The program seems to be headed in the right direction. However, the government should take in consideration the claims by other migrants who do not want to return, because they feel they have the right as citizens to apply for a scholarship and stay abroad.

*The Land Plan, Teachers Plan Return, and Plan Ecuador Healthy* are all new programs with a low number of people registered. Migrants are still not convinced of the benefits promoted by the government. Most of these programs have had more impact on the European countries but not in the U.S. Again, the factors for migrants applying to these programs could be the economic necessity they are facing because of the economic crisis.
Plan Vivir Ecuador/All You Need Is Ecuador. These two programs have had a tremendous impact abroad. With the coordination of the Ministry of Tourism and the help of the migrants and the SENESCYT scholars promoting the Ecuadorian tourism, Ecuador obtained 14 awards by the World Travel Awards 2014 that includes:

- South America’s Leading Airport 2014: Mariscal Sucre International Airport
- South America’s Leading Conference Hotel 2014: Swiss Hotel Quito
- South America’s Leading Green Hotel 2014: Finch Bay Eco Hotel
- South America’s Leading Luxury Train 2014: Tren Crucero
- South America’s Leading Resort 2014: Arasha Tropical Forest Resort Spa

("Ecuador gana 14 premios en los World Travel Awards, considerados los ‘Óscar’ del Turismo").

The statistics in 17 shows the increment in the number of tourist visiting the country. If the connection between the Ministry of Tourism, the migrant community and the scholars continue, it could put the importance of tourism in Ecuador above that of petroleum exports.

The Voluntary Social Security program was adopted this year. Migrants see this program as an opportunity to secure their retirement in Ecuador. Magdalena Pulla, a migrant who has lived in the U.S for almost 15 years, expresses “we always claim to our governments to give us the opportunity to contribute to the social security, but they never pay attention until President Correa took office. I am glad that I can retire in my home country with all the benefits.” This program can be very successful if they facilitate the requirements for affiliation. The monthly payments made by the migrants will generate
more funds for the IESS bank in Ecuador, which can be used to build infrastructure and other projects.

This is beneficial for the country, but what benefits can migrants receive while they stay abroad? The answer is nothing unless they return to Ecuador. For Rosa Erazo, a migrant who has lived in the United States for 10 years said “the government should make partnerships or alliances with private hospitals in the U.S so we the migrants affiliated to the IESS can attend the hospital covered by the social security of Ecuador.” The demands of the migrants to receive some benefits while they live abroad are increasing. The government should look for mechanisms that provide medical benefits or microcredits to the affiliated.

*The Vote Abroad* has been successful in increasing yearly the number of voters. The migrant’s community has also organized in political affiliations, which in turn demand and propose policies for this demographic. While there are migrants who see this right as a mechanism to exercise their rights as citizens abroad, there are other groups of migrants who do not believe in the promises by the government.

Some of them, like Blanca Ortiz, just do not care if he can vote for a president in Ecuador. “I became an American Citizen and I do not care about politicians in Ecuador.” There is still resentment with the politics of Ecuador. “They were responsible of the migrations of thousand of Ecuadorians who left their families looking for better opportunities in other countries,” expresses Magdalena Pulla. The vote abroad is a very interesting incentive for the migrants to keep connected with their homeland. However the migrants continue to press for better strategies that facilitate the migrants the tools to improve their life style abroad.
One plan that was not incorporated in this research was the creation of the Bank for Migrants. The government announced the project in 2009, but this project has not been put into effect. Since 2009, the migrant community has been waiting for the creation of this institution.

Consequently, this thesis takes the viewpoint that these migrants merit a comprehensive, well-thought-out and executed, set of strategies that will enable them to make the most of their opportunities in other countries and incentivize them to return at least some of this value to their home countries. In other words, the home country should treat these migrants as a long-term investment and financial opportunity, as well as a key business relationship that must be carefully maintained.

**Comparative Analysis**

**Peru**

According to Agencia Pulsar “between 2006 and 2009 more than 125 thousand Peruvian returned to Peru. Between 2009 and 2011 more than 259 thousand returned.” (Marapi)

In Peru, the government has also incorporated programs for returning migrants. Ollanta Humala’s government adopted legislation named Law of Economic and Social Reintegration for Returned Migrants on March 14, 2013. According to President Humala this law aims to protect and facilitate the return of Peruvian immigrants from countries struggling with economic crisis. Around twenty thousands Peruvians will benefit from this program annually (Marapi).
As the Return Plan in Ecuador, Peru provides tax incentives to Peruvians residing outside the country for a minimum of four years. The returning migrants are allowed to bring their household goods with a total value of $30,000.

Additionally, Peruvian migrants are allowed to bring a vehicle valued up to $30,000 dollars: a value higher than the Ecuadorian case, which is only $20,000 dollars. Consequently, the migrants who are planning to establish a business or a professional activity in Peru may qualify for tax incentives as long as the machinery, instruments, or equipment do not exceed $ 150,000 in value and the business is intended to generate employment and contribute to economic development ("Ley de Reinserción Económica y Social para el Migrante Retornado").

When migrants return, they can apply for other programs such as legal advice, education, and health and economic subsidies. Those Peruvian migrants who obtained their driver’s license in other countries can exchange for a Peruvian license. The Assemblywoman representative of the migrants Linda Machuca incorporated this policy in Ecuadorian legislation. Ecuadorians who obtained their license in other countries can exchange for an Ecuadorian license as long as they complete the requirements established by the law ("Permisos Internacionales").

Another program is the Ministerial Resolution 0327/RE – 2011. By this resolution the government is intending to repatriate sick and indigent Peruvian’s.

Moreover, there are other benefits Peruvian migrants can obtain when returning. For those students who obtained their basic, secondary, and third level education overseas, the Ministry of Education will immediately recognize their diplomas.
Additionally, those students willing to continue their education will receive scholarships and credits by the National Scholarship and Student Loans Program.

All returning scientists and researchers will receive support by the Peruvian National Council for Science and Technology ("Ley del Retorno Peru") Peru has signed several social security agreements with Spain, Chile, Argentina, Colombia, Bolivia, Ecuador and Canada in the area of migration (“Convenios Suscritos”).

**Colombia**

Colombia also has programs for their citizens overseas. The programs for Colombians not only target migrants returning to Colombia, but also provide support to Colombians abroad. One of the programs “Colombia Nos Une” is a community program designed to strengthen the Colombian community in New York and New Jersey.

This program promotes business, alliances and projects within the Colombian community. The Colombian government provides technical assistance, information about easy access to microcredits in the country they reside, and the creation of a network system to keep Colombians in communication (“Colombia Nos Une”).

Under the new public policy “Prosperidad para Todos” 2010-2014, Colombians abroad can benefit from different governmental programs. According to the Colombian Foreign Ministry, these programs are looking to provide attention to 3,378,345 Colombians overseas. The interest towards migrants has increased because of the economic support they provide to the Colombia’s economy.

Just in 2010, the Ministry of Foreign Relations reported that Colombia obtained $4.023 million in remittances ("Migración Colombiana"). Among these programs, the Productive Return was designed to help the Colombian migrants to develop productive
projects with the technical support and orientation to obtain the capital available ("Colombia Nos Une"). Additionally, the Colombian government signed an agreement with the Banco de Comercio Exterior de Colombia with the objective to provide microcredits to those migrants returning to Colombia.

The law 1448 of 2011 was established to protect Colombian migrants from an armed conflict, these migrants will be able to request medical assistance, a house, legal support and psychological assistance ("Colombia Nos Une"). The Colombian Ministry of Foreign Relations. in order to further its outreach to Colombian migrants, has mobilized their consular services in different places. Mobilized Consulates travel to other cities and places distant from the main consulate offices. They offer any kind of services that could be made at the consular office such as voting registration and passport renovations.

Chile

Chile unlike Ecuador, Colombia and Peru does not have a specific law or program towards the Chileans returning. Chileans living for several years in Spain are asking the government to support their return. Since the global economic crisis, developed countries have been suffering economically forcing the return of thousands of migrants to their home countries. Chilean families in Spain have started a campaign to push their government to establish a Law of Return for the Chilean migrants (Familias Chilenas en Espana).

The only resource so far implemented by the Chilean government is a Return Manual for Chileans. This manual only provides information about the Chilean institutions to which the migrants can request support. These Chileans institutions do not provide economic incentives such as tax incentives to bring their households from the
hosting country. However they do provide general benefits that any Chilean living in the country can apply. According to the International Organization for Migrants, the Return Manual is a guide for the Chileans when returning such as customs services, consular services and basic information for establishing in the country ("Manual del regreso para Chilenos en el exterior").

**Argentina**

As in Ecuador, Argentina also provides benefits for the migrant’s return. The law 25.871 provides tax incentives to Argentinians with more than two years of residence abroad and who decide to return. They can bring their household free of import duties and taxes, including an automobile ("Ciudadanos Argentinos que retornen al país").

**Bolivia**

Bolivia is another country that has implemented a program for returning its migrants. This program provides domestic households of Bolivian migrants the opportunity to import their household free from import taxes. This program does not include an automobile, but allows the import of machinery and equipment used in his or her activities ("Retorno a Bolivia").

**Recommendations**

In order for such an investment to succeed, the home country’s policies would need to address a number of basic needs: health, sustenance, safety, residences, ability to compete successfully in the host economy, ability to safely, and cheaply, channel wealth back to the home country, as well as alignment with all business operations these migrants develop in these host countries. To the end this study suggests the following
recommendations combining the primary resources and interviews to migrants in New York, New Jersey and in Ecuador:

- The creation of an Ecuadorian network system where the organizations abroad can channel and facilitate dialogues, debates and network opportunities among professionals, students, and business people.

- For migrants applying for a SENESCYT scholarship, they should have the opportunity to decide whether they find a job abroad or they return to Ecuador. Scholars can be placed in a high position in a company and then he or she can chose to repay the scholarship. Additionally, strengthening the Ecuadorian talent in other countries could build a bridge to connect the businesses in Ecuador and the businesses within the hosting country. If more Ecuadorians are hired in high-profile positions, they could create better networks to generate more foreign investment into the country.

- There should be a decentralization of the consular offices and programs. The consular offices should mobilize to small towns, rural areas to inform migrants about the the programs that they can benefit from.

- Create programs for migrants who do not want to return to Ecuador.

- Provide microcredit for Ecuadorians who want to establish small businesses in their hosting countries.

- Provide technical capacitation to migrants who work in construction or technical activities. The space available for this training session can be the Casa Ecuatoriana.

- Create job opportunities to migrants who return.
• Provide mechanisms to facilitate the easy access to education for young people who do not have any type of education.

• Create partnerships between Ecuadorian universities and the universities in the hosting countries to facilitate for migrants access to a higher education. Teachers from Ecuadorian universities could come to teach abroad to migrants and at the end of this process the Ministry of Education could award them with a certificate or a provide a certificate or a degree.

• Strengthening Ecuadorian businesses in other countries.

Conclusion

This thesis espouses a particular paradigm for thinking about migrants. In particular, just because a migrant leaves his or her home country, that doesn’t mean that this individual has completely severed ties with the country. Nor does this mean that the individual can no longer be considered a resource for the home country. In fact, in many cases the reverse can be considered true, that migrant with access to a foreign economy, global skills and the opportunity to build economic ties and relationships, as well as new global businesses have heightened their potential value to their home country.

In the case of Ecuador, President Correa has devoted a lot of attention to the migrant community living outside of Ecuador. The programs implemented for migrants as human capital and as source of financial support are working effectively only for the migrants who decide to return. The data shown in this study provide a better picture of how Ecuador is benefiting by the return of migrants with capital and knowledge. Yet, these programs cannot be considered a short-term project. Some of them will take several
years until they start bearing fruit. The government policies seem to be targeting only those migrants who want to return. Yet, there is a majority of migrants who have already established their new families abroad, and no longer wish to return. However they are still very much willing and able to support their country.

During the process of this study, the Ecuadorian Ambassador to the U.S Nathalie Celi announced the opening of a new project named “StarUp”. This project was announced after some meetings with the Ecuadorian community in New York, New Jersey, and Chicago. The same claims presented in this study were presented to her. This project will help Ecuadorian entrepreneurs to establish their business by providing them mechanisms, tools, advisors, tutors, specialist in the business sector and economic incentives.

Migrants are key players in the maintenance of the Ecuadorian economy. It is safe to say that migration of a certain degree will be a continuous part of Ecuadorian life for years to come. And even if these factors weren’t in play, an argument could be made for valuing the opportunities migrants with ties to Ecuador can provide their home country. In a rapidly evolving global economy where cross-border relationships, cutting-edge skills and international awareness will become essential, carefully crafted, well-funded and effectively executed strategies will be vital for nurturing this population into a powerful competitive resource.


<http://www.ant.gob.ec/index.php/servicios/permisos-internacionales/homologacion-y-canje-de-licencias-de-conducir/canje-de-licencia-de-conducir-extranjera-por-licencia-de-conducir-ecuatoriana>

<http://pdba.georgetown.edu/Constitutions/Ecuador/ecuador98.html>


"Ecuador pone en marcha un plan para facilitar el regreso de sus inmigrantes en España Ver más en: http://www.20minutos.es/noticia/1797554/0/ecuador/plan-regreso/inmigrantes-espana/

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